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December 18, 2020

## **VIA ELECTRONIC FILING**

The Honorable Jocelyn G. Boyd **Public Service Commission of South Carolina**101 Executive Center Drive

Columbia, South Carolina 29211

RE: South Carolina Energy Freedom Act (House Bill 3569) Proceeding Related to Dominion Energy South Carolina, Inc. for the Commission to Review the Community Solar Programs Established Pursuant to Act 236 of 2014 and to Solicit Status Information on Existing Programs from the Electrical Utility S.C. Code Ann. Section 58-41-40(B)(1) Docket No. 2019-212-E

Dear Ms. Boyd:

By Order No. 2020-791, dated December 2, 2020, the Public Service Commission of South Carolina ("Commission") established a procedural schedule which sets, among other things, an application deadline of January 15, 2021, for Dominion Energy South Carolina, Inc. ("DESC" or "Company") in the above-referenced docket. The purpose of this letter is to remind the Commission that DESC has a very successful Commission-approved Community Solar program in operation today and therefore, does not intend to expand or otherwise modify its existing Community Solar program at this time. Accordingly, DESC does not intend to file an application in this docket and respectfully requests that this docket be administratively closed for the reasons set forth below.

The Commission established this docket in response to the requirements of Act No. 62. See S.C. Code Ann. § 58-41-40(B)(1) (the Commission shall establish a docket within 60 days after the effective date of Act No. 62). The Commission satisfied its statutory obligation when it established the instant docket on June 11, 2019.

Next, § 58-41-40(B)(1) required the Commission "[t]o solicit status information on existing programs from the electric utilities." By letter dated June 18, 2019, the Chief Clerk of the Commission instructed DESC to "[f]ile a report with the Commission which updates the electrical utility's community solar programs. This report should outline the electrical utility's existing programs and should contain any proposal for new community solar programs." The Chief Clerk's June 18, 2019 letter satisfied the Commission's statutory obligation under § 58-41-40(B)(1).

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By letter dated July 18, 2019, DESC timely complied with the Chief Clerk's instructions by informing the Commission that DESC's Commission-approved Community Solar program¹ was fully-subscribed and that the Company continues to accept customers on its Community Solar waitlists who will be assigned capacity made available when current customers leave the program. The Company also informed the Commission that DESC did not have any plans to submit a proposal for new community solar programs.

South Carolina Code Ann. § 58-41-40(B)(2) then required electric utilities to update their report on their existing programs. Section 58-41-40(B)(2) also provided electric service providers with the statutory right, but not the statutory obligation, to propose new community solar programs. By letter dated November 22, 2019, DESC timely complied with § 58-41-40(B)(2) by updating its July 19 letter report, but it did not propose any new programs because the Company had already informed the Commission that it did not have any near-term plans to submit a proposal for a new community solar program.

DESC's November 22, 2019 letter satisfied its statutory obligation under § 58-41-40(B)(2) and unless DESC exercises its statutory right to propose a new community solar program, then there is nothing else for anyone to do in furtherance of this section of Act No. 62.

Even though the Commission and DESC have both fully satisfied their obligations under Act No. 62 regarding community solar, DESC contemplates certain benefits may be provided by an additional or successor community solar program. An additional community solar program could provide another option for customer demand for clean energy and, depending upon temporal and locational value, it could also provide other system benefits to DESC and its customers, such as integrating emerging technologies in the future. During DESC's initial program under Act No. 236 there was flexibility to create distributed energy resource programs that addressed cost shifts and participant value and these, along with many other issues, were addressed through a productive stakeholder process. The costs associated with a successor community solar program as well as the allocation of such costs is a complex issue, and it will require interested stakeholders to be willing to develop creative solutions that would be complementary to DESC's existing distributed energy resource programs. See e.g. S.C. Code Ann. § 58-41-40(C) ("Participating customers shall bear the burden of any reasonable and prudent costs associated with participating in a neighborhood community solar program.")

<sup>&</sup>lt;sup>1</sup> See Commission Order No. 2015-512 (approving DESC's Distributed Energy Resource Plan ("DERP"), which included 16 megawatts ("MW") of community solar generating facilities).

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DESC is also currently working through the challenge of a large number of interconnection requests that have resulted in a congested interconnection queue. The current interconnection standards and the current flood of requests waiting to be processed limit the potential of additional community solar projects. The Commission is evaluating whether these interconnection standards should be modified in Docket No. 2019-326-E. The results of that docketed proceeding will impact any decision to move forward with new or successor community solar programs because the results of that proceeding may have a material impact on the value of any successor community solar project. To be consistent with the intent of Act No. 62, the integration of the outcomes of several prior proceedings, as well as some future proceedings, would benefit the Company and the stakeholders who wish to develop any future or successor community solar programs. In other words, before DESC can advance any new or successor community solar program to the Commission, other distributed energy related matters must be addressed first.

In summary, DESC has fully complied with the requirements of § 58-41-40 and it reiterates that it is not proposing any new program for its existing Community Solar program. Based on the foregoing, DESC respectfully requests that the Commission close this docket.

By copy of this letter, we are informing the parties of record of the Company's request in this matter.

If you have any questions or concerns, please do not hesitate to contact us.

Very truly yours,

K. Chad Burgess

KCB/kms

cc: Carri Grube-Lybarker, Esquire Jeffrey M. Nelson, Esquire Richard L. Whitt, Esquire Roger Hall, Esquire

(all via electronic mail and U.S. First Class Mail)